

# 88 Wheatland Street

Developed by



The Somerville Community Corporation

with funding assistance from the

City of Somerville and the Department of Housing and Community Development



## INFORMATION AND APPLICATION PACKAGE

# Property Description

## 88 Wheatland Street #1

The current condo owner is offering one (1) condominium unit to a qualifying low to moderate-income household. The affordable condominium is part of an 8 unit all affordable complex located near Mystic Avenue at **88 Wheatland Street #1**.

88 Wheatland Street #1 is a studio-sized unit which will be sold to first-time homebuyers with a household income at or below 80% of area median income (see eligibility chart under Eligibility Requirements) and is limited to a minimum household size of one (1) person.

**Unit 1** is a one (1) large room, a galley kitchen and one (1) full bath unit. It will be offered to a household earning at or below 80% of the area median income. The current condo fee is \$233/month which covers landscaping, snow removal and trash. There is central air conditioning and the unit includes white appliances and a dishwasher. There is a washer and dryer in the unit and the unit comes with one deeded parking space. It has gas heating.

**The sale price will be \$91,885.**

The condo will have a “deed rider” that will be recorded along with the deed and mortgage at the time of purchase. This means that the price at which the unit is resold will be restricted, and any subsequent owners will also have an income of no more than 80% of the area median income and will ensure that the unit remains affordable in the long term.

**Information Session:** The City of Somerville will be conducting a mandatory information session on

**Thursday, October 30, 2014**

**Somerville Public Library**

**79 Highland Ave**

**1st floor Conference Room**

The following pages describe the eligibility requirements for this unit and how the lottery process works.

**Applications will be made available to interested buyers at this Info Session.**

**Completed Applications**, with all the necessary supporting documents, must be submitted to the City of Somerville Housing Division at 50 Evergreen Avenue no later than **4:00 PM on Tuesday, November 25, 2014**. Applications received after the deadline or which are incomplete will not be eligible.

## Eligibility Requirements

### **First-Time Homebuyers**

Applicants must be first-time homebuyers. A person shall be considered a first-time homebuyer if no person in his or her household has, within the preceding three years, owned a home or owned an interest in a home.

### **First Time Homebuyer Training Class**

Applicants must have taken a first time homebuyer training class within 3 years from the date of application, or currently be enrolled in a class and provide documentation of such. For area classes, please visit the Citizens Housing and Planning Association website at:

<http://www.chapa.org/looking-for-housing/homebuyer-workshops>

### **Household Size**

Applicants must be in a household with **one (1) or more people**, as determined by the number of bedrooms in the unit.

### **Income Eligibility**

In order to be eligible to purchase this unit, annual income must be within the guidelines listed below. While there is no minimum income required, applicants must be able to support a sufficient mortgage for the unit. The bank of choice determines what income is sufficient for a mortgage.

The combined annual **gross** income from all sources for all income-earning members of the household must not exceed **80% of area median income, depending upon the unit** by household size, as indicated below:

<b>Maximum Annual Income</b>	
<b>HUD Maximum Area Median Income</b>	
<b>80% AMI</b>	
<b>1 Person</b>	<b>2 Person</b>
<b>\$47,450</b>	<b>\$54,200</b>

## **Bank Pre-Approval Financing**

Applicants are required to submit, as part of their application, a **pre-approval letter for a mortgage in an amount sufficient to purchase the unit.**

*Local participating lenders have agreed to provide this service free of charge (see Bank Contact List enclosed).*

Note: Pre-qualification letters will not meet this requirement.

Pre-approval letters from Internet banking sites do not meet this requirement.

Pre-approval letters subject to credit, employment, or asset verification do not meet this requirement.

The mortgage must be a 30 year, standard rate, fixed mortgage.

Applicants must have at least three percent (3%) of purchase price available for down payment and sufficient funds to cover closing costs for the transaction.

**Mayor's Office of Strategic Planning & Community  
Development**  
Inclusionary Housing Program

**PARTICIPATING BANKS & LENDING INSTITUTIONS**

*You are by no means required to contact a bank on this list, and you can  
contact any bank of your choice.*

Winter Hill Bank  
342 Broadway  
Somerville, MA. 02145  
(617) 666-8600  
Contact: Larry Gold

Chelsea Bank  
360 Broadway  
Chelsea, MA 02150  
(617) 388-3558  
spaine@cpcbank.com  
Contact: Sonia Payne

Cambridge Savings Bank  
1374 Massachusetts Avenue  
Cambridge, MA.02138  
(617) 441-4137  
Contact: Rick Garber

Leader Bank  
180 Massachusetts Avenue  
Arlington, MA 02474  
781-646-3900  
Contact: Donna Haynes

East Cambridge Savings Bank  
292 Cambridge Street  
Cambridge MA 02141  
(617) 354-7700

Boston Private Bank and Trust  
401C Centre Street  
Jamaica Plain, MA 02130  
Tel: 617-912-3991 Fax: 617-830-9829  
Contact: Diana Carvajal-Hirsch

# Lottery Process

**Lottery Drawing:** The lottery will be held at City Hall Annex, 50 Evergreen Avenue at **10:00 am on Wednesday, November .** Applicants need not be present, but are welcomed to attend.

## Lottery process

Households submitting a complete application prior to the deadline will be screened for eligibility based on the guidelines described above. All eligible applicants are encouraged to apply. There is a preference category for those who live or work full-time in Somerville. Documentation must be provided by application due date.

Applicants will be selected at random at the lottery and will be numbered in the order they are drawn. The first applicant drawn for each unit will have the first opportunity to purchase the unit. This applicant will have one (1) week to certify their eligibility with the City. If they are determined to be ineligible, the second applicant drawn at the lottery will be notified and given one (1) week to certify. This process will continue until an eligible applicant is determined.

Once certified, the buyer will have a private home inspection done, and then enter into a Purchase and Sale Agreement with the owner. The buyer will formally apply for a mortgage loan with their chosen lender and then the buyer and owner will agree to a mutually convenient closing date.

For questions on eligibility, the application or the process, please contact Kelly Donato at 617-625-6600 x2560 or via email at [kdonato@somervillema.gov](mailto:kdonato@somervillema.gov) or Vicki Wairi at 617-625-6600 x 2588 or via email at [vwairi@somervillema.gov](mailto:vwairi@somervillema.gov)

# 88 Wheatland Street #1

## Description of Deed Restriction

This opportunity to purchase an affordable unit at a significant discount from a market rate unit is being offered through the Somerville's Inclusionary Housing Program. This requires that the unit remain affordable for future buyers.

If you are selected to purchase this unit, you will sign a "Deed Rider", which describes the restrictions on the unit and your responsibilities. These restrictions will remain with the unit for the life of the building and will apply to you and all subsequent owners. Further rights and responsibilities are also set out in the Affordable Housing Restriction. Copies of the Restriction will be provided upon request to all prospective buyers, and to those who ultimately move forward to purchase the unit.

The following is an overview of the most important aspects of the Deed Rider and is meant for informational purposes only. If selected, you are strongly encouraged to seek legal advice and we do require that you review the total document.

- **Principal Residence:** The property/unit must be used as your primary principal residence.
- **Refinancing:** Expressed written consent must be obtained from the City of Somerville OSPCD, Housing Division and the Department of Housing and Community Development prior to Refinancing your loan.
- **Notice to the City of Somerville and Department of Housing and Community Development when selling your home/unit:** You must submit written intent to sell. When you want to sell your home, you must contact the Somerville Community Corporation ("SCC") (617-776-5931). SCC will help you to put together the notice packet with the affordable resale price to the City of Somerville, OSPCD Housing Division or designee and the Department of Housing and Community Development. This unit is restricted to 80% AMI, and it will always remain affordable to 80% AMI households.

### **Resale Process:**

The City and Department of Housing and Community Development have a right of first refusal. Either can opt to exercise this right, or its right to assist the owner in locating an eligible buyer. A deed- restricted unit cannot be resold without a Compliance Certificate, which must be recorded at the time of sale.